

INFORMATION LETTER

NATIONAL CANNERS ASSOCIATION

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Roger M. Blough of U.S. Steel To Address N.C.A. Convention

Roger M. Blough, Chairman of the Board of the United States Steel Corporation, will be the key speaker at the Opening General Session of the N.C.A.'s 53rd Annual Convention, at Miami Beach January 18, it is announced by President Norman Sorensen. Arrangements to obtain Mr. Blough for this important speaking assignment were made some time ago by Oliver G. Willits of the Campbell Soup Company, acting as a member of the N.C.A. Convention Program Committee, but confirmation of Mr. Blough's acceptance was delayed until recently by the steel strike situation.

Chief executive officer of U. S. Steel since 1955, Mr. Blough has played a leading role in the administrative reorganization of the firm. His predecessor was Benjamin F. Fairless, who was himself an N.C.A. Convention speaker several years ago.

In addressing the Cannery Convention, Mr. Blough will be speaking to an industry that is annually the third or fourth greatest user of steel, and a group that represents in N.C.A. membership about 80 per cent of total canned foods production. His appearance is appropriate at this time also because of the joint observance by the canning and can manufacturing industries of the sesquicentennial of the birth of canning and the first patent on the tin can.

Mr. Blough was born in the farming community of Riverside, near Johnstown, Pa., and was graduated with a bachelor of arts degree from Susquehanna University. He had difficulty deciding whether his career would be in the ministry, teaching or law, and ultimately chose the latter, but in the meantime, he taught science and mathematics in his home town community, at one time teaching all eight grades in a one-room school house, but winding up his third year as supervising principal.

He then attended Yale Law School, from which he received his bachelor of laws degree in 1931. While there he was editor of the *Yale Law Journal*. After graduation, he engaged in general law practice with White and Case in New York City.

Mr. Blough's association with United States Steel commenced during the investigation of the steel in-

dustry by the Temporary National Economic Committee in 1939 and 1940, during which he acted as an associate counsel for the Corporation. He went to Pittsburgh in February, 1942, when he was appointed general

solicitor in charge of all legal matters for the United States Steel Corporation of Delaware, and on January 1, 1951, he became Executive Vice President—Law, Secretary and a Director of the United States Steel Company, which was formed through the merger of the Delaware Corporation, and three operating subsidiaries of United States Steel Corporation. United States Steel Company was merged into the Corporation at the beginning of 1953, when the parent company became primarily an operating company.

Mr. Blough was elected Vice Chairman of the Board of Directors on May 6, 1952, and on August 26, 1952, he was elected a Director of United States Steel Corporation and a member of its Finance Committee. It was on May 3, 1955, that he succeeded Mr. Fairless as Chairman of the Board of Directors and chief executive officer.

FDA Is the Subject of a Study by a Management Consulting Firm, Which Makes Proposals for Strengthening FDA Activities

A national management consulting firm has concluded that the Food and Drug Administration is effectively organized to carry out its responsibilities, and has made a number of proposals for further strengthening FDA's inspection, testing, and regulatory activities, it is announced by Secretary of Health, Education, and Welfare Arthur S. Flemming.

The survey was made at FDA's request by McKinsey & Co., Inc., last spring.

"I am gratified that the report finds the Food and Drug Administration suitably organized to carry out its important role in protecting the health of the American people from adulterated and misbranded foods and drugs," Secretary Flemming said.

"The study clearly recognizes the growing demands being made upon the Food and Drug Administration by the development of new products and manufacturing processes, and reaffirms the 1955 recommendation of a Citizens Advisory Committee for additional manpower in the field," the Secretary added.

The management firm's recommendations cover the FDA organization,

staffing pattern, program planning functions, and relationships with the Department's Regional Offices and the other agencies of the Department.

Some of the study's principal recommendations or conclusions are reported by the FDA as follows:

APPRAISAL OF THE DISTRICT OFFICE PLAN

(1) The present system of FDA Districts should be continued because it appears best adapted to the administration of the program.

(2) The number of Resident Inspection Posts and the staff in each should be increased.

(3) All drug analyses should be assigned to Districts where they can be most economically handled. At present all 17 District laboratories conduct drug analyses, but the number and type vary widely depending upon the number of drug manufacturers in each area.

APPRAISAL OF DISTRICT OFFICE OPERATIONS

(1) Work plans and program management can be made more effective by (a) stating objectives in terms of the percentage of compliance to be

achieved in each industry; (b) improving information on the number of firms subject to FDA regulation; (c) developing more specific performance standards for inspectors and analysts; (d) assigning greater responsibility to District Chiefs in program planning and giving them more authority for independent action.

(2) Supervisory levels below Chief Chemist and Chief Inspector should be established among the laboratory and inspection staffs to provide greater delegation of responsibility and free the chiefs of unnecessary detail.

FUTURE FIELD STAFF REQUIREMENTS

(1) Additional workload and work accomplishment measurements should be developed to ascertain the degree of consumer protection being achieved.

(2) Minor adjustments should be made in some District boundaries to increase the efficiency of inspection activities.

(3) A maximum of 18 District offices, supplemented by a larger number of Resident Inspection Posts, will be adequate until 1965. The study did not attempt to cover FDA's staff needs beyond 1965. FDA now has 17 District offices and funds have been appropriated for an 18th at Dallas.

RELATIONSHIPS WITH THE DEPARTMENT'S REGIONAL OFFICES AND OTHER CONSTITUENT AGENCIES

FDA should explore with the Department's Regional Directors and the U. S. Public Health Service ways in which the Regional Offices and PHS could better serve the educational efforts and programs of FDA. The report concluded that no advantage would result from transfer of administrative functions from District offices to the Department's Regional Offices.

Commissioner of Food and Drugs George P. Larrick stated: "The Food and Drug Administration concurs with the major recommendations of the report. Many of them have already been acted on and others are being studied with a view to putting them into effect as rapidly as possible."

Commissioner Larrick listed these examples of actions already taken to meet the recommendations of the report:

(1) A schedule has been established for adding several new resident

inspection posts in the next two years, and for increasing the staff in resident posts at Newark, N. J., and Cleveland, Ohio. The locations of the new resident stations will depend on workload studies now under way.

(2) Intermediate levels of supervision for inspectors and chemists have been established.

(3) Additional authority for personnel management has been delegated to the District Chiefs.

(4) Automatic data processing techniques are being used to improve workload and work accomplishment measurements.

A special task force has been set up to make a continuing study of additional methods for improvement of program planning and appraisal along lines recommended by the McKinsey study, the Commissioner added.

Hearings on Food Distribution

House Small Business Subcommittee No. 5, of which Representative James Roosevelt (Calif.) is chairman, held public hearings in San Francisco October 8-10, as scheduled, in connection with its study of small business problems in food distribution.

The Subcommittee received testimony from 13 representatives of canned foods buying organizations, who explained buying practices on California Street.

It was apparent from the range of testimony that further study by the Subcommittee will be needed. The Subcommittee has made no announcement regarding its conclusions, and such a statement will likely be issued only after the end of the hearings and staff study.

Representative Roosevelt announced October 15 that the Subcommittee has set new dates for hearings in San Francisco and Denver.

Further public hearings in San Francisco will be held November 9-13 in Courtroom No. 332 of the U. S. District Court, 7th and Mission Streets.

In Denver, beginning November 16, two or three days of public hearings will be held in the senate chamber of the state capitol.

The Subcommittee is preparing an agenda for each of these hearings and will announce later the list of witnesses and subject matter expected to be covered.

Canners Elected to Offices in Agricultural Research Institute

Five canning industry representatives were elected to key positions in the Agricultural Research Institute at its 8th annual meeting on October 12-13 at Washington, D. C.

Reelected to the A.R.I. board of directors were P. D. Caldis, California Packing Corporation; C. L. Rumberger, H. J. Heinz Company; and B. M. Shinn, Armour & Co. A. C. Moll, Stokely-Van Camp, Inc., was elected an alternate board member.

Dr. C. H. Mahoney, Director of the N.C.A. Raw Products Research Bureau, who served as program chairman for the meeting, was reelected vice president of the A.R.I., a supporting arm of the National Academy of Sciences-National Research Council's Agricultural Board.

Approximately 150 delegates and guests attended the 1959 meeting which was devoted primarily to discussions of studies on soil-crop-water relationships and plant composition in relation to soil nutrients. Speakers reviewed in some detail the present status and future outlook for research on vegetable, fruit, and agronomic crops in these areas of study.

Grades for Canned Ripe Olives

The Agricultural Marketing Service of USDA has revised the U. S. standards for grades of canned ripe olives. The revised standards cover "ripe" and "green-ripe" olives.

Recommended minimum drained weights and requirements for color, uniformity of size, defects, and character are revised in detail, USDA said, to conform with improved processing practices.

The standards also have been expanded to include several styles of olive packs which have become commercially important since issuance of the previous standards in 1941. The additional styles include pitted, halved, sliced, chopped or minced, and broken pitted olives. Categories of blended sizes and mixed sizes are also provided.

Pictorial illustrations of nine olive sizes, the marketing names for each size, and the average counts per pound are included to help standardize interpretation of the standards.

The revised standards were published in the *Federal Register* of October 15 and will become effective 30 days later.

Canned Pork for USDA

USDA announced October 14 that it plans to purchase approximately 20 million pounds of canned pork and gravy for schools participating in the National School Lunch Program.

Details are in Invitation to Bid No. 1, Announcement LSP-4, which will be mailed to the meat industry next week.

Offers either by letter or telegram are due each Tuesday until further notice, beginning November 3. Acceptances will be made by telegram filed by USDA by midnight Friday following receipt of offers. Deliveries under the first award are to be made during the period November 30 to January 23, 1960.

Offers will be considered only from vendors operating under federal inspection. The canned pork and gravy must be prepared in accordance with Schedule CC, "USDA Specifications for Pork and Gravy, Canned" (October, 1950).

Purchases will be made with funds transferred by Congress from section 32 for use under the National School Lunch Act.

Copies of the invitation and other information concerning the purchase program may be obtained from the Livestock Division, Agricultural Marketing Service, USDA, Washington 25, D. C.

Antidumping Act Regulations

The Bureau of Customs has published in the *Federal Register* of October 10 the text of regulations it proposes to issue under the Antidumping Act of 1921, as amended. The new regulations are intended to implement the 1958 amendment to the Antidumping Act in which Congress sought to provide for greater certainty, speed, and efficiency in the enforcement of the Act. The 1958 amendment also contained new definitions for determining fair market value of imported merchandise and eased the burden on domestic industry in proving injury.

The Bureau's initial proposal on implementing the 1958 amendment was published in October, 1958. Comments were invited, and the Bureau has incorporated a number of changes in the proposed regulations. The Bureau of Customs again invites written views and comments on the proposed regulations, within 30 days from the date of publication in the *Federal Register*.

Vegetables for Processing—Indicated Production

The prospective 1959 tonnage of eight important vegetables for processing as of October 1 was 5 percent below the 1958 production but 12 percent above average, according to the Crop Reporting Board of USDA.

The October 1 forecast reflected declines in prospective production from a month earlier for the following crops: beets for canning, about 4 percent; contract cabbage for kraut, 12 percent; and tomatoes for processing, 3 percent.

Improvement toward the end of the season for green lima beans and sweet corn resulted in crops slightly larger than were expected on September 1.

TOMATOES FOR PROCESSING

Prospects for tomatoes for processing declined 3 percent during September, and a total of 3,565,000 tons is now estimated for 1959. This is 17 percent less than the 1958 production but 8 percent above the 1948-57 average of 3,298,300 tons. A yield of 12.3 tons is forecast for the nation, compared with 12.4 tons last year and the average of 9.7 tons per acre.

Most of the decline from the September 1 forecast occurred in California, where considerable rot and mold were reported as the result of rainfall.

| State | 10-year ave. 1948-57 (tons) | 1958 (tons) | 1959 Indi- cated (tons) | Per- cent change from 1958 |
|---------------------------------|--------------------------------------|----------------|----------------------------------|--|
| N. Y. | 150,700 | 106,600 | 95,000 | -11 |
| N. J. | 216,900 | 250,700 | 182,000 | -27 |
| Pa. | 164,000 | 243,900 | 137,800 | -43 |
| Ohio | 192,900 | 223,700 | 310,500 | +39 |
| Ind. | 295,900 | 211,700 | 260,000 | +23 |
| Ill. | 98,800 | 140,100 | 118,800 | -15 |
| Mich. | 63,400 | 94,000 | 87,600 | -7 |
| Wis. | 8,700 | 7,000 | 5,700 | -18 |
| Iowa | 10,100 | 18,500 | 18,000 | -10 |
| Mo. | 8,100 | 4,200 | 3,800 | -38 |
| Del. | 32,800 | 33,400 | 20,200 | -40 |
| Md. | 128,800 | 94,500 | 64,900 | -31 |
| Va. | 60,600 | 48,000 | 42,000 | -12 |
| S. C. | 2,900 | 3,400 | 3,600 | +6 |
| Fla. ¹ | 33,700 | 38,200 | 37,400 | -2 |
| Ky. | 3,700 | 4,800 | 6,000 | +25 |
| Ark. | 11,000 | 8,100 | 13,500 | +67 |
| Texas | 42,200 | 74,100 | 45,600 | -38 |
| Colo. | 23,800 | 20,900 | 33,000 | +58 |
| Utah | 75,000 | 14,000 | 45,200 | +223 |
| Calif. | 1,648,200 | 2,629,900 | 2,000,000 | -24 |
| Other states ² .. | 10,900 | 20,700 | 32,400 | +57 |
| U. S. Total .. | 3,208,300 | 4,287,300 | 3,565,000 | -17 |

¹ Sum of estimates by seasonal groups.

² Ala., Ariz., Conn., Kans., La., Minn., Miss., Nebr., N. M., N. C., Okla., Ore., Tenn., Wash., and W. Va.

SWEET CORN

A total of 1,654,600 tons of sweet corn is indicated for canning and freezing. This is 25 percent larger than last year's production and 20 percent above average.

Yield prospects improved during September in Idaho, Iowa, Illinois, Ohio, Pennsylvania, and Maryland, and October 1 indications point to a U. S. yield of 3.84 tons per acre for 1959, compared with 3.43 tons last year and the 10-year average of 3.10 tons.

| State | 10-year ave. 1948-57 (tons) | 1958 (tons) | 1959 Indi- cated (tons) | Per- cent change from 1958 |
|---------------------------------|--------------------------------------|----------------|----------------------------------|--|
| Maine | 22,600 | 18,600 | 16,900 | -9 |
| N. Y. | 67,500 | 67,400 | 64,000 | -5 |
| Pa. | 28,500 | 27,200 | 25,500 | -6 |
| Ohio | 31,400 | 13,500 | 23,200 | +72 |
| Ind. | 50,400 | 38,300 | 52,500 | +37 |
| Ill. | 300,800 | 176,500 | 239,800 | +36 |
| Wis. | 290,000 | 272,800 | 414,400 | +52 |
| Minn. | 289,600 | 291,300 | 362,700 | +25 |
| Iowa | 69,500 | 33,800 | 31,200 | -8 |
| Del. | 11,900 | 14,200 | 16,500 | +16 |
| Md. | 74,800 | 92,400 | 87,000 | -5 |
| Idaho | 45,500 | 58,000 | 71,400 | +21 |
| Wash. | 65,100 | 68,300 | 85,800 | +26 |
| Ore. | 61,800 | 77,000 | 89,000 | +16 |
| Other states ¹ .. | 66,900 | 74,400 | 74,700 | ... |
| U. S. Total .. | 1,376,400 | 1,324,000 | 1,654,600 | +25 |

¹ Ark., Calif., Colo., La., Mich., Mont., Nebr., N. H., N. J., Okla., S. D., Tenn., Texas, Utah, Vt., Va., and Wyo.

BETTS FOR CANNING

The crop of beets for canning is indicated at 148,200 tons. On October 1 a yield of 10.2 tons was indicated, compared with 9.5 tons last year and the 10-year average of 8.6 tons.

Prospects declined 4 percent during September. Most of the reduction occurred in Wisconsin.

| State | 10-year ave. 1948-57 (tons) | 1958 (tons) | 1959 Indi- cated (tons) | Per- cent change from 1958 |
|------------------------------|--------------------------------------|----------------|----------------------------------|--|
| N. Y. | 43,200 | 46,400 | 50,600 | +9 |
| Mich. | 7,000 | 8,400 | 5,500 | -35 |
| Wis. | 58,900 | 37,800 | 46,000 | -20 |
| Ore. | 20,000 | 16,900 | 23,100 | +37 |
| Other states ¹ .. | 24,400 | 22,000 | 23,000 | +2 |
| U. S. Total .. | 153,300 | 152,100 | 148,200 | -3 |

¹ Calif., Colo., Del., Ill., La., Md., Minn., N. J., Ohio, Okla., Pa., Tenn., Texas, Utah, Wash., and Wyo.

GREEN LIMA BEANS

A total of 90,350 tons of green lima beans is indicated for canning, freezing, and other processing. October 1 indications point to a yield of 2,158 pounds of shelled limas per acre compared with 2,174 pounds in 1958 and the average of 1,840 pounds. Improvement in yield prospects in California and Michigan more than offset the less favorable prospects registered in other important states during September.

| State | 10-year ave. 1948-57 | 1958 | 1959 Indi- cated | Per- cent change from 1958 |
|---------------------------|----------------------------|--------|------------------------|--|
| | (tons) | (tons) | (tons) | |
| N. Y. | 2,360 | 1,310 | 720 | -45 |
| Pa. | 2,870 | 1,510 | 1,090 | +12 |
| Mich. | 1,510 | 880 | 1,420 | +61 |
| Wis. | 5,420 | 3,780 | 4,400 | +16 |
| Del. | 15,120 | 13,560 | 12,350 | -9 |
| Md. | 3,090 | 2,450 | 1,430 | -42 |
| Va. | 2,800 | 640 | 300 | -53 |
| Wash. | 1,290 | 1,120 | 1,320 | +18 |
| Calif. | 34,630 | 40,530 | 40,800 | +1 |
| Other states ¹ | 24,220 | 23,030 | 25,860 | +12 |
| U. S. Total | 93,300 | 88,810 | 90,350 | +2 |

¹ Ark., Colo., Idaho, Ill., Ind., Iowa, Minn., Mo., N. J., Ohio, Okla., Ore., Tenn., and Utah.

CABBAGE FOR KRAUT

Production of cabbage for kraut under contract is forecast at 116,600 tons, 7 percent less than the 1958 contract tonnage but about 9 percent above the average for 1948-57.

Weather during September, as a whole, was too hot and dry in the major producing states and yield prospects declined.

Total cabbage production in the early fall states is forecast at 383,400 tons, a fourth less than last year's production and 22 percent below average.

| State | 1958 Total ¹ (tons) | 1959 Contract ² (tons) | 1958 Indi- cated (tons) |
|---------------------------|--------------------------------------|---|----------------------------------|
| N. Y. | 73,700 | 26,500 | 28,000 |
| Ohio | 24,900 | 24,900 | 12,200 |
| Ind. | 10,200 | 10,200 | 7,200 |
| Wis. | 50,800 | 29,300 | 26,600 |
| Other states ³ | 43,400 | 34,400 | 42,600 |
| U. S. Total | 203,000 | 125,300 | 116,600 |

¹ Total production includes tonnage obtained from contract acreage (footnote 2) and tonnage purchased on the open market.

² Contract acreage includes acreage grown by packers on owned or leased land, acreage grown under contract with growers, and equivalent acreage for contracted acreage.

³ Colo., Fla., Idaho, Ill., Iowa, Md., Mich., Minn., Mo., N. J., N. C., Ore., Pa., Tenn., Utah, Va., and Wash.

Production of Field Crops

Following are production prospects for certain field crops as of October 1, according to estimates published by the Crop Reporting Board of USDA:

| Crop | 1958 | 1959 Indi- cated | Per- cent change from 1958 |
|---------------------|---------------------|------------------------|--|
| | (thous. of bags) | | |
| Dry edible beans | 18,981 | 19,300 | +2 |
| New England | 6,537 | 7,607 | +17 |
| Northwest | 6,335 | 6,014 | -5 |
| Southwest | 2,018 | 1,728 | -14 |
| Calif. | 4,091 | 3,891 | -5 |
| Dry field peas | 2,475 | 4,191 | +69 |
| Rice | 47,015 | 52,553 | +12 |
| | (thous. of bushels) | | |
| Durum wheat | 22,077 | 20,546 | -7 |
| | (thous. of cwt.) | | |
| Potatoes | 265,729 | 243,543 | -8 |
| Sweet potatoes, all | 17,434 | 18,036 | +3 |
| N. J. | 1,440 | 1,392 | -3 |
| Md. | 672 | 552 | -18 |
| Va. | 1,700 | 1,980 | +16 |
| N. C. | 2,325 | 2,263 | -3 |
| Ala. | 715 | 660 | -8 |
| Miss. | 912 | 1,000 | +10 |
| La. | 4,770 | 5,015 | +5 |
| Ark. | 270 | 290 | +7 |
| Mo. | 130 | 120 | -8 |
| Okla. | 118 | 120 | +2 |

Citrus Fruit Production

Florida citrus crops experienced generally good weather during the current season to October 1, according to the Crop Reporting Board of USDA, which reported that the Florida valencia crop is expected to fill 42.5 million boxes compared with 38.9 million last year.

Grapefruit production in the United States (excluding the area in California outside the Desert Valley) is

placed at 41.5 million boxes, practically the same as last year. The 3.2 million box increase expected in Florida is offset by sharp increases in Texas, Arizona, and the Desert Valley of California. Texas expects the largest crop—5.8 million boxes—since the prefreeze year of 1950-51 when 7.5 million boxes were harvested.

Production of tangerines in Florida is expected to be 4,000 boxes, down from the 4,500 boxes obtained last year.

Production of Deciduous Fruits

Total 1959 production of deciduous fruits was estimated as of October 1 to be 3 percent more than last year and 8 percent above average, according to the Crop Reporting Board of USDA.

Increases during September in the estimated tonnage of grapes and peaches more than offset a decrease for apples.

| Crop | 1958 | 1959 Indi- cated | Per- cent change from 1958 |
|---|---------------------|------------------------|--|
| | (thous. of bushels) | | |
| Apples, all | 136,610 | 115,843 | -9 |
| East | 58,035 | 57,250 | -1 |
| Central | 22,996 | 22,228 | -3 |
| West | 45,579 | 36,365 | -20 |
| Pears, all | 28,890 | 31,110 | +8 |
| | (tons) | (tons) | |
| Bartlett pears, Pacific Coast states | 447,000 | 498,500 | +12 |
| Plums, all | 68,800 | 103,400 | +50 |
| Calif. | 61,000 | 96,000 | +57 |
| | (barrels) | | |
| Cranberries | 1,165,000 | 1,273,000 | +9 |

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